

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 3618 - SB 3462

February 9, 2012

**SUMMARY OF BILL:** Declares, for the purpose of receiving a special allocation of cigarette tax revenue, the Tennessee Agriculture Enhancement Program to mean the program by which the Department of Agriculture (DOA) provides cost share funds for long-term investments in livestock and farming operations, and does not include any other program of the Department.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – A shift of use for approximately \$3,990,000 of Department of Agriculture funding from non-livestock and non-farming purposes to purposes directly-related to livestock and farming.**

Assumptions:

- Pursuant to Tenn. Code Ann. § 67-4-1025(d), the annual allocation of cigarette tax revenue to DOA for the Tennessee Agriculture Enhancement Program is \$21,000,000.
- According to DOA, approximately 81 percent of the \$21,000,000 allocated for FY11-12 is for investments either directly-related to or indirectly-related to livestock and farming operations. This percentage is assumed to remain constant into perpetuity under current law.
- There could be a recurring shift of use for approximately \$3,990,000 [ $\$21,000,000 - (\$21,000,000 \times 81\%)$ ] of DOA funding from non-livestock and non-farming purposes to purposes directly-related to livestock and farming.
- The annual allocation to DOA will not change as a result of this bill.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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/rnc